

U.K. Police Warn Of New IRA Attacks

Irish Paper Says Bomb Was 2d Try To Kill the British Prime Minister

By R. W. Apple Jr.
New York Times Service

LONDON — The bomb attack Friday on the British cabinet was the Irish Republican Army's second attempt to kill Prime Minister Margaret Thatcher, a Dublin newspaper reported Sunday.

Scotland Yard warned, meanwhile, that the explosion, in the southern seaside resort of Brighton, might be only the beginning of a new offensive by the Irish guerrillas.

Commander Bill Hucklesby, the head of the anti-terrorist squad, said at a news conference that politicians, judges and military leaders should be especially carefully protected from attempted assassination in coming weeks.

The Dublin newspaper, The Sunday Press, reported that plans were first made to kill Mrs. Thatcher last year during the Conservative Party conference at Blackpool, but were abandoned at the last minute because of a snag in the planning.

The special bomb unit formed for the attack was manned by British-born and not Irish volunteers, according to the paper's account, which gave no source.

The newspaper said members of the squad visited the Grand Hotel several times before this year's conference.

Only then did they plant the device that killed four people, including one member of Parliament and the wife of another and wounded 32 people, several of them seriously.

It was the most serious assault against the upper echelon of the British government since 1605, when Guy Fawkes attempted to blow up Parliament and King James I.

Mr. Hucklesby said that investigations had convinced him that the bomb had been secreted in the paneling of the bathroom of room 628 or 629 or the seventh floor, the sixth floor in the European system of numbering. He said it probably contained a sophisticated timer like

those used in home video recorders.

The occupants of room 629 were Donald McLean, the president of the Scottish Tories, and his wife, both of whom were seriously injured.

But it was the "28" series of rooms that was most seriously damaged. The floors of those rooms, stacked one above the other on the seafloor side of the 20-year-old structure, collapsed in turn, creating a hole extending all the way to the basement.

It only fell Mrs. Joanne Sharrock, the wife of a party official, from 628; Eric Taylor, another party official, from 528; Mrs. Roberta Wakesham, the wife of the government chief whip, from 428, and Sir Anthony Berry, the member of Parliament from 328. All of them were killed.

Norman Tebbit, the minister for trade and industry, who is hospitalized with stomach and thigh wounds, and his wife, Margaret, who is paralyzed from the neck down, were in room 228.

The corresponding room just below was the sitting room of the Foreign Secretary, Sir Geoffrey Howe, but it was unoccupied. Just a thin wall away was the bathroom of the prime minister's suite; she had left it two minutes before it was devastated by the explosion.

Two men were arrested over the weekend, the police said, for questioning under the Prevention of Terrorism Act. One was seized at Liverpool airport in northwest England as he was about to board a plane for Dublin and the other was picked up in Brighton on the basis of a tip from the first.

But Detective Chief Superintendent Jack Reece said that "there is no suggestion at the moment that they are linked to terrorism."

■ Thatcher Attends Services

Mrs. Thatcher attended church services Sunday for the victims of the bombing near Chequers, her country residence.

After a dog trained to search out bombs had checked the church,



Repair work continued Sunday on Brighton's Grand Hotel.

Mrs. Thatcher listened to the Rev. Dr. David Horner pray for the government's salvation from "violence, discord and confusion and from the work of evil men."

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a British withdrawal from Northern Ireland.

"If that bomb had killed the British cabinet, examine then what would have happened," Mr. Morris said.

"There would have been a rethink within British political circles and it probably would have led to a British withdrawal in a much shorter period. It would have been unique in British constitutional history, apart maybe from Guy Fawkes."

"The moral position is irrelevant," Mr. Morris said. "What the British government and the British people have to realize is that what they are doing leads to this type of action."

He said he presumed that the IRA now intended to attack what he called "prestige targets in Britain."

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Shultz Tightens Security

Action Follows 2d Bombing Of U.S. Embassy

By Philip Taubman
New York Times Service

WASHINGTON — U.S. Secretary of State George P. Shultz, hinting for the first time at some dissatisfaction with the State Department's handling of security measures, says he has moved "to tighten up the chain of command tremendously" since the U.S. Embassy in Lebanon was bombed last month.

"There is within the department a clear recognition of what the right chain of command is," Mr. Shultz said. "But we really have to emphasize it and see that decisions are made and carried out, and if somebody doesn't like it, too bad, we're going to do it."

"That'll mean you don't take as much time to touch every base under the sun, but there's got to be action," he added, aboard his air force plane as he returned to Washington on Friday from a three-day trip to Central America.

The changes instituted by Mr. Shultz include an urgent program to upgrade security at embassies, by installing temporary defenses while waiting for permanent protective devices to be installed, and a daily meeting on security that he said he attends when he is in Washington.

The department is also strengthening security at its headquarters in Washington, with tank-ditch barriers and steel barricades across garage ramps. Work on the security measures, part of an accelerated \$2.6-million program to upgrade defenses against terrorist attack, began last week.

While Mr. Shultz did not directly criticize protective measures at the embassy in Lebanon or the State Department's overall handling of security problems, his blunt com-

"What would you like?" Mr. Peres asked during an interview Friday in New York. "Do you want a disciplined Israel with the participation of an American force, or, a



PARTY MEETING — Joshua Nkomo, the opposition leader, told the congress of his Zimbabwe African People's Union the government's only program was "the promotion of their own rule of the country." Page 2.

Soviets Deploy Missiles

Diplomats Say New Weapons Aimed at U.S.

By Dusko Doder
Washington Post Service

MOSCOW — The Soviet Union has announced that it has begun deploying long-range cruise missiles aboard strategic aircraft and submarines to offset "massive deployment" of air, sea and land-based cruise missiles by the United States.

Implicit in the statement issued Saturday by the Ministry of Defense was that newly developed long-range cruise missiles, which are unpiloted drones capable of carrying nuclear warheads to distant targets at very low altitudes, were targeted at the United States.

In Helsinki on Sunday, a Politburo member said the Soviet Union was ready to negotiate with the United States on basic problems facing them. Reuters reported from the Finnish capital.

[Grigori V. Romanov, 61, said the United States was bent on intensifying the arms race. "At the same time, the Soviet Union affirms that it is still ready to negotiate with the United States and conduct a dialogue on the basic problems of our time," Mr. Romanov said.]

In Washington, a State Department spokeswoman said that the Soviet Union has long deployed cruise missiles" and added that Washington "has proposed a global ban on all ground-launched cruise missiles."

"If the Soviets are seriously interested in limiting cruise missiles they should be willing to resume the negotiations to reduce offensive nuclear weapons," she said.

The new deployments appeared to be a part of Moscow's response to the deployment of NATO Pershing-2 and cruise missiles in Western Europe.

President Yuri V. Andropov, who died in February, said Nov. 24 that Soviet nuclear racism would be deployed in "ocean areas and seas" near the United States to counter what he called an increased nuclear threat posed by the deployment of the U.S. missiles.

Moscow has already responded to the U.S. deployments by placing tactical nuclear missiles in East Germany and Czechoslovakia. These are missiles with a range of up to 600 miles (970 kilometers) capable of reaching targets in all West European nations that are receiving the new NATO missiles.

In August, Moscow announced successful tests of land-based, (Continued on Page 2, Col. 4)

Peres Says Aid to Israel Benefits U.S. in Mideast

By John M. Goshko
New York Times Service

NEW YORK — Prime Minister Shimon Peres of Israel has said that the United States benefits from its large-scale aid to his country even though Israel sometimes "may be undisciplined" about complying with U.S. wishes.

The United States profits by Israel's being "a strong, vital democracy" that fosters U.S. interests in the Middle East, he said.

"What would you like?" Mr. Peres asked during an interview Friday in New York. "Do you want a disciplined Israel with the participation of an American force, or, a

free Israel, an independent Israel, though occasionally she may be undisciplined in the way you want?"

This is the choice," Mr. Peres said.

Mr. Peres said that there frequently are times when the United States benefits from its large-scale aid to his country even though Israel sometimes "may be undisciplined" about complying with U.S. wishes.

The United States profits by Israel's being "a strong, vital democracy" that fosters U.S. interests in the Middle East, he said.

"I don't think that you should be in a position to tell us everything we ought to do, as we shouldn't be in a position to tell you everything we should do in the Middle East," he said. "There must be a freedom of action, because you cannot approve some things that deep in your heart you know we have to do."

"Suppose we know about a location of some Iranian terrorists. You will not decide to act. We may decide to take them out. Do you want us to consult with you? What for?" Mr. Peres said.

"There is a difference between a superpower" and what a smaller, less constrained country like Israel can do, he said.

Mr. Peres met last week in Washington with President Ronald Reagan and top administration officials about future aid increases to help his new national unity government overcome Israel's severe economic problems, including a 400 percent rate of inflation.

Mr. Peres is known to have signaled his intention to ask for substantial increases next year in both economic and military assistance. Some preliminary estimates have said these proposed jumps could run as high as \$1.5 billion or more, an amount that would increase U.S. aid to Israel from its current level of \$2.6 billion to more than \$4 billion a year.

The \$2.6 billion that the United States has provided to Israel since it gained independence in 1948 has been the largest single U.S. foreign-aid program.

On Friday, Mr. Peres was questioned heavily about why the United States should continue to give increasing amounts of assistance to a country that in recent years has used its military power for actions, such as the 1982 bombing of an Iraqi nuclear reactor and invasion

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Rubén Zamora, left, and Guillermo Ungo, leaders of El Salvador's leftist Democratic Revolutionary Front, announcing their intention to attend the peace negotiations.

Guerrilla leaders have not announced who will be the two military commanders sent to the talks.

But last week, the rebels' clandestine Radio Venceremos interviewed Joaquín Villalobos, commander of the People's

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■ President Marcos says the International Monetary Fund has accepted a Philippines' austerity program.

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■ Social Security aides have studied "private alternatives" and other proposals, but plan no changes.

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■ The Angolan leader says he will work with the United States for a regional settlement in southern Africa.

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■ Pope John Paul II denounced "neocolonialism" in Latin America as he ended his Caribbean trip.

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BUSINESS/FINANCE

■ U.S. spending for plant and equipment will continue to expand, an executive's group has predicted.

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Center in Malta Is Bombed

The Associated Press

VALLETTA, Malta — A bomb caused considerable damage Saturday at the government's computer center in the city of Dingli, the state-run radio reported. The computer center, opened three years ago, runs services for 19 government departments.

In their eight days in space, the astronauts launched a scientific satellite for monitoring the earth, pierced clouds with a powerful radar to observe the earth and snapped photographic images.

Dr. Kathryn D. Sullivan, a 33-year-old geologist, also became the first American woman to walk in space when she and Lieutenant Commander David C. Leestma of the navy, 35, entered the open cargo bay for a three-hour test of ways to refuel satellites retrieved from orbit.

The series of breakdowns and (Continued on Page 2, Col. 1)



President Ronald Reagan leaves Dayton, Ohio, Friday on "The Heartland Special." Page 3.

Marcos Says Austerity Plan Gains IMF Approval, New Credits Expected

By Steve Lohr
New York Times Service

MANILA — President Ferdinand E. Marcos says that after nearly a year of difficult negotiations, the Philippines' program of economic austerity had been accepted by the International Monetary Fund.

The president said Saturday in a televised address that the program opens the way to eventual economic recovery in exchange for national belt-tightening now.

Mr. Marcos termed the IMF's approval "a development of momentous significance to our nation's economic recovery."

He added, "There is no question that our economic recovery program includes measures that entail sacrifices for everyone."

[Mr. Marcos said Sunday that he is confident foreign banks will "help out" and approve his government's request for \$1.65 billion in new credits. The Associated Press reported.]

U.S. Shuttle Returns to Launch Site

(Continued from Page 1)

Preparations began on the first day of the mission when Dr. Sally K. Ride, 33, used the spaceship's long robotic arm to shake loose the balky solar panels on a \$40-million satellite and place it gently in orbit. The mission of the satellite is to help scientists make better seasonal and yearly weather forecasts.

The next problem the crew encountered came when the communications antenna on the shuttle began to wobble. A plan was worked out to switch off its steering motor and turn the spacecraft to point the antenna toward a distant relay satellite, which sent valuable radar data back to the earth. Work on the problem was interrupted for a day when the satellite itself failed.

Then the radar panel refused to stow properly. The unfolded panel, 35-feet (10.6-meters) long and 7-feet wide, was one inch (25.5 millimeters) short of its latches. The problem was solved when Dr. Ride, who last year became the first American woman in space, again utilized the Canadian-built mechanical arm, this time to reach out and compress the panel in the cargo bay, allowing the latches to snap shut.

According to Dr. Charles Elachi of the Jet Propulsion Laboratory in California, who headed the radar experiment, only nine out of what had been expected to be 42 hours of radar data had been gathered by the end of the mission. This total was somewhat better than it sounded, he said, because the data were taken in a more concentrated form than planned.

Other scientific goals of the mission were generally more successful than the radar, according to Dr. Mark Settle, program manager for the space agency. About 2,300 photographs were taken by a mapping camera in the cargo bay that made unusually large, 9-by-18-inch negatives, he said.

Other sensors measured air pollution in the earth's atmosphere and took data to help scientists develop ways to identify automatically what kinds of earth features cameras look at from space. In the future, a "smart" device on board a satellite might use this capability to preselect data, taking and transmitting data, for instance, only when a space camera was pointed at crops rather than clouds.

One of the highlights of the mis-

[He said the lifting of foreign exchange controls, which he announced Saturday as part of the recovery action, "means that everybody can go in and out of banks now and buy whatever they need for raw materials, machineries and other vital imports."]

In Washington, a spokesman for the International Monetary Fund said he could not confirm the agreement with the Philippines.

An international banking specialist said the letter of intent presented by the Marcos government was satisfactory to the IMF's board of directors. This does not imply full approval, the source said, but it does mean that the largest problems have been resolved.

For most Filipinos, the economic package will mean higher prices and reduced purchasing power in the near future. But since Jacques de Larosière, the managing director of the International Monetary Fund, signed the letter of intent in Washington last Thursday, the

Philippines will be eligible for loans to shore up its depressed economy.

Specifically, the Philippines will receive a \$650-million standby credit from the International Monetary Fund. This will provide funds to replenish the nation's depleted financial reserves and pave the way for restored lending from the 483 commercial banks that have loaned the Philippines \$2.6 billion.

The most politically sensitive steps in the package are higher taxes on petroleum products and an end to controls on most foreign exchange transactions. Economists predict that the value of the peso will decline.

The new tax on oil products will result in higher prices for many consumer goods and services. Private economists say that the austerity package could lift inflation from the present 60 percent annual rate to 70 percent for a month or so. Inflation is expected to decline as the austerity measures take effect.



Robert L. Crippen

mission came Thursday in the space walk when the two astronauts, practicing ways to refuel satellites in orbit, paused to laugh, joke and snap pictures.

The two astronauts made the complete refueling job look easy, paving the way for the routine servicing of satellites now left derelict when they run out of fuel.

In April, astronauts repaired an errant satellite in orbit. Thursday's test was a dress rehearsal for an addition to the repertoire, which eventually is to include not only repair and refueling but also the transport of disabled satellites back to Earth.

This mission was the first in which satellite fuel was transferred in space and the first in which two women were on board. It was Captain Crippen's fourth shuttle flight, a record.

It was the first space flight for a Canadian, Dr. Marc Garneau, 35, of the Canadian Navy.

Also on board were Commander Jon A. McBride, 41, of the U.S. Navy, the shuttle's pilot, and Dr. Paul D. Scully-Power, 40, an Australian-born scientist with the U.S. Navy who conducted the first observations of the sea surface by a professional oceanographer.

Friday's return of the Challenger to the Kennedy Space Center saves about five days in preparation for future flights.

The crackdown on the Mafia that began earlier this month was set off by the confession of Tommaso Buscetta, an imprisoned mobster.

In less than five years, the promise of independence has turned into a reality of suspicion, terror and failure," Mr. Nkomo said.

"We believe that the ZANU-PF leadership today is concerned with only one matter, maintaining themselves in power," he said. "It is this obsession which is causing this government to lead Zimbabwe into one tragic crisis after another."

If Mr. Mugabe's party is not stopped, he said, it would "destroy all the achievements of our long and costly struggle."

Mr. Nkomo said government economic policies were "a recipe for disaster" that had scared away foreign investment and thwarted development.

"Socialism must be based on

Doubts Mark El Salvador As Talks Near

(Continued from Page 1) and Rubén Zamora, who are exiled politicians. They found bargaining over arrangements particularly difficult because they apparently had no way to get to El Salvador except flying to San Salvador early Monday and accepting Mr. Duarte's guarantee of safe passage to La Palma.

Many analysts said that because many guerrilla leaders appeared to be firmly committed to revolutionary Marxism, they doubted that Mr. Duarte would be able to persuade the left to give up its battle and participate in elections. Some said they expected no more from Monday's meeting than the establishment of committees for further talks.

Mr. Duarte is not considered likely to go much beyond past offers to the rebels, such as guaranteeing the security of leftist candidates if they run in elections.

The skeptical view was that the peace bid's principal political effect could be to drive a wedge between guerrillas willing to compromise with the government and those determined to fight on. This has been the aim of U.S. policy regarding peace talks.

As the church, farm and labor unions enthusiastically endorsed Mr. Duarte's bid last week, optimists said his gesture might generate a momentum of its own and spawn a peace movement. That could encourage both sides to negotiate seriously, but it could also provoke renewed repression from the far right.

Thousands of Salvadorans were expected to crowd into La Palma on Monday after both Mr. Duarte and Radio Venceremos called on the people to attend the talks.

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The March To German Consensus

By William Silvers

MUNICH — A year ago, demonstrators took to the streets of Germany to denounce the approaching deployment of U.S. cruise and Pershing-2 missiles. The government's decision to accept these missiles, although it was regarded as a crucial test of West Germany's alliance to the North Atlantic alliance, was widely unpopular. Today, all appearances, the government has weathered the storm without paying a price.

One year later, quiet prevails. The peace movement seems disengaged and disengaged. But this surface peace mask is a house of cards. The government has brought political pressure downplaying the North Atlantic Treaty Organization and, thus, ending its alliance with the West German people.

Leaders of the peace movement are confident that the movement's failure — its failure to pursue its last-fight initiative, to be a model of narrow judgment — is a number of reasons.

In the first place, sensitivities reporting overestimated the demonstrators' efforts to make the case "against war." It was only a matter of time that would create a wider and the demonstrations were liable for unpopularity discipline.

Second and more important, the real effects of the movement can be measured by mass demonstrations that the movement's direct, cut-and-dried opposition was a turning point in West German politics. But the enduring peace movement lies in deep despair that it triggered elsewhere in the world.

The third reason is the leftward move of the Social Democratic Party, the movement's main supporters, and the awakening of arms dealers and unionists who support the Christian Democrats but have rejected their stand on deployment.

Faced with such wide opposition, government officials are thus compelled to the public that a simple no is not sufficient. Arthur Schlesinger, Jr., of the Harvard Foreign Affairs Council, has suggested that the government should be more aggressive in its foreign policy.

The discussion with Mr. dos Santos and other officials in Luanda three some light on the "package deal" of an end to insurrections and withdrawal of foreign troops, which the Reagan administration

Angola Pledges to Cooperate With U.S. on Namibia Accord

By Jim Hoagland
Washington Post Service

LUANDA, Angola — President José Eduardo dos Santos of Angola has pledged to cooperate with the Reagan administration in working for independence for the neighboring territory of South-West Africa, also known as Namibia, and for the withdrawal of an estimated 25,000 Cuban troops from Angola as part of a regional peace settlement.

In an interview here, Mr. dos Santos said that Angola is showing "flexibility" and a sincere desire to achieve a regional settlement in secret negotiations it gave recently to U.S. envoys, who are due back here soon for further talks.

But the Angolan leader also warned that South Africa's refusal to complete the withdrawal of its troops from southern Angola, under the terms of an accord brokered by the United States last spring, threatens the larger effort, which would match a South African withdrawal from Namibia with an end to the nine-year Cuban military presence in Angola.

The problems of the South African occupation of Angola and of independence for Namibia must be solved before the withdrawal of Cuban troops can be agreed to between Cuba and Angola as two sovereign countries, Mr. dos Santos said. "The United States should exert its influence on South Africa to resolve this in a way that will facilitate the discussion of the other problems in the region."

The 90-minute interview Wednesday was the first that Mr. dos Santos, 42, who was trained as a petroleum engineer in the Soviet Union, has given to an American journalist since succeeding the late Agostinho Neto as president five years ago. It was clearly designed to convey a sense of a diplomatic opening toward the United States which has refused to establish formal relations with Angola since it gained independence from Portugal in 1975.

His remarks implicitly portrayed his revolutionary government as having embarked on a new phase of diplomatic pragmatism, matching its decision to open up to foreign investment and trade with the West. Production by U.S. and French oil companies here will provide Angola with more than 80 percent of its \$2-billion foreign exchange earnings this year.

The discussion with Mr. dos Santos and other officials in Luanda three some light on the "package deal" of an end to insurrections and withdrawal of foreign troops, which the Reagan administration

has been pursuing for the past three years.

Other points made by Mr. dos Santos included:

• Angola is prepared to live "in an atmosphere of tolerance" with South Africa once Namibia is independent. Apartheid and white minority rule should be condemned by all nations, but he suggested that they would be treated as internal problems when "South Africa which is very far away from Angola," returns to its borders.

The Cuban presence was cited by both the Carter and Reagan administrations in refusing to establish diplomatic relations with Luanda.

At a conference in February that the United States helped arrange in Lusaka, Zambia, South Africa and Angola agreed to a disengagement pact, with important implications both for Angola and for the insurgency conducted in Namibia by the South-West African People's Organization, or SWAPO.

South Africa agreed to pull out of Angola an invasion force that had penetrated 120 miles (195 kilometers) north of the Namibian frontier. The force, which Angolans estimated as numbering as many as 20,000 men when support units inside Namibia were counted, was to withdraw in five stages by March 30.

Kenyan Leader Toughens Up Image

Moi Purging Party and Cracking Down on Corruption

Reuters

NAIROBI — Kenya's leader, Daniel Arap Moi, celebrated Sunday the sixth anniversary of his presidency after assuming in recent weeks a tough new image that has shaken up political life in this East African country.

Mr. Moi has stamped his mark firmly on the presidency and has traded his avuncular image for a tougher political profile. When he became president six years ago after the death of Jomo Kenyatta, the country's first president, he was seen by some Kenyan political commentators as only a temporary leader.

His main rival, Charles Njonjo, a former attorney general, however, has been effectively banished to the political wilderness. Mr. Njonjo is awaiting the outcome of a six-month judicial inquiry into his conduct.

Many commentators originally had doubts about the durability of Mr. Moi because he comes from the minority Kalenjin group, unlike Mr. Kenyatta, who was a member

of the dominant Kikuyu tribe. The Kikuyu tribe led the Mau Mau rebellion that resulted in independence in 1963.

However, Mr. Moi has emerged as the nation's unquestioned leader and has asserted his authority recently with a purge of the ruling Kenya African National Union, or KANU, and with a crackdown on corruption and inefficiency.

Mr. Njonjo, who had been one of Mr. Moi's main allies since 1978, is accused of having been involved in, or of knowing of, a 1982 attempt by junior airmen to overthrow Mr. Moi. The uprising was crushed within hours by the army.

Mr. Njonjo, who is said by political insiders to have advised Mr. Moi on almost all government appointments and policies, was expelled last month from KANU, which is the nation's only political party, along with 14 other people, including two former cabinet ministers.

A national census of Kenya's quarter million civil servants was held Saturday to uncover imposters and to determine how big the costly bureaucracy is.

weeks. The president will then decide whether to prosecute him.

With Mr. Njonjo in decline, Mr. Moi has assumed a much tougher image and has demanded loyalty from the nation. "Everyone should dance to my tune," he said last month.

This changed political climate has led to criticism of some sections of the civil service for failing to carry out development projects badly needed by the country's largely rural population of 18 million.

The need to make the service more efficient has become more acute because Kenya is experiencing its worst drought in 50 years. This could limit government funds and hamper many development plans, foreign bankers and economists say.

A national census of Kenya's quarter million civil servants was held Saturday to uncover imposters and to determine how big the costly bureaucracy is.

150,000 Are Uprooted By Drought in Chad

They Are Among Millions in Africa Forced to Flee Their Homes to Survive

By Clifford D. May
New York Times Service

NDJAMENA, Chad — Abandoning his home, the Chadian village chief said, was the last thing he thought he would ever do.

But when the months dragged by without rain, causing the millet and maize to turn brown and shriveled and the animals to die, the chief said, he came to see that he and his people had no other choice.

"Most of us had never before in our lives left the village," said the chief, Adouma Makai, whose village is near Ati, 250 miles (400 kilometers) northeast of Ndjamena, the Chadian capital. "But there is nothing there now. Not even a dog is left."

The villagers, he said, traveled by truck when they could find one and on foot when they could not. In a little less than a month, they had completed the trek to Ndjamena.

They were not the first to arrive,

there are thought to be 50,000 displaced people in Ndjamena, previously a city of 300,000. In Chad as a whole, which has a population of slightly under five million, about 150,000 people are believed to have fled their homes to survive.

The country has no railroads or highways, although there are dirt tracks that are passable at certain times of year.

In the past, special camps have been set up where displaced people could be housed and fed. Relief officials said, however, that they would prefer another approach if possible.

"Conditions in the camps often become terrible, squallid, a breeding ground for disease," said Mr. Wicksen. "That's a lesson we learned from the last drought."

But the other option, the absorption of displaced people into existing population centers, could lead to additional pressures on Chad's poorly developed urban areas. "It could be staggering," Mr. Wicksen said.

For now, at least, Mr. Makai and those who came with him are living among relatives in the city. The chief explained that the relatives shared what little food they had and the villagers sleep on straw mats in the courtyards of the abode compounds.

"There is little for them to do during the long, hot days," he said. "We're looking for work, but so far there is nothing."

Someday, he said, he would like to lead his people back to the village, to regather the families and clans there.

will last. Many scientists fear, however, that a long-term climatic change may be under way, aggravated to some degree by such man-made ecological damage as overgrazing and extensive cutting of forests.

The drought of the early 1970s and the current drought, a growing number of experts have come to suspect, may be not separate events but rather symptoms of the same trend or of a single phase in the climatic cycle.

Relief officials say they believe it

will be more difficult to help Chad than most of the other drought-stricken countries of Africa. The country is landlocked and the best port in the region is at Lagos, Nigeria. But Nigeria has closed its borders with its neighbors, saying it has economic problems of its own.

Even if adequate supplies of food do arrive, distribution is likely to be a logistical nightmare, the relief officials said. The north of Chad has been under the control of Libyan-backed rebels for more than a year, and insurgent activity has been flaring sporadically in the south as well.

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highways, although there are dirt

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said.

Senior party leaders at the closed

meeting were discussing a series of

crucial urban reforms, which the

diplomats said would reduce the

role of centralized planning, shake

up industry and deal another blow

to Maoist egalitarianism.

The most sensitive issue is the

question of price reforms, and the

party plenum is expected to agree

to the gradual reduction of huge

state subsidies on basic items, such

as food, housing and transport.

Those reforms, which eased state

control of agriculture by giving

much greater freedom of action to

the country's 800 million peasants,

have so far brought several years of

record harvests.



A woman held her baby while an older child ate at the Ati refugee camp in central Chad last week. About 15,000 refugees fleeing famine have arrived at the camp recently.

Chinese Party Talks Expected To Approve Urban Reforms

Reuters

BEIJING — The Central Committee of China's Communist Party has started a key meeting that is expected to endorse sweeping economic changes, including possible price increases, Asian and Western diplomats said Sunday.

There was no official announcement that the plenum had begun, but Chinese leaders have been speaking about what would be discussed for several months. At a similar annual meeting in 1978, Deng Xiaoping, China's paramount leader, and his more moderate followers threw out the radical leftist economic policies of the country's recent past and instituted a sweeping series of rural reforms.

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control of agriculture by giving

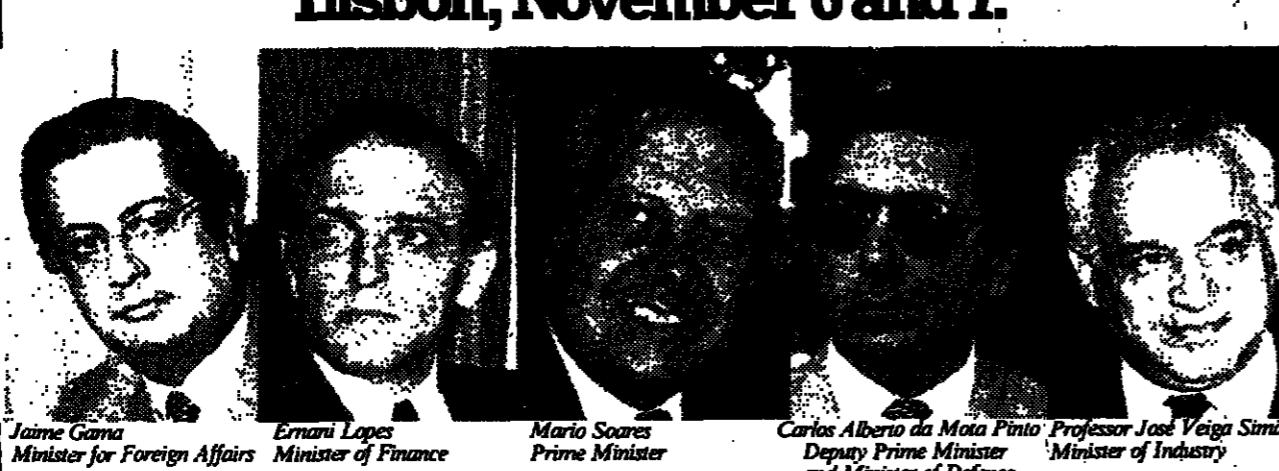
much greater freedom of action to

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have so far brought several years of

record harvests.

Meet the Portuguese Government Lisbon, November 6 and 7.



PROGRAM

KEYNOTE ADDRESS

Mario Soares, Prime Minister of Portugal.

FOREIGN POLICY/THE EEC.

Jaime Gama, Minister for Foreign Affairs.

INDUSTRIAL POLICY.

José Veiga Simão, Minister of Industry.

FOREIGN INVESTMENT POLICY.

Alípio Dias, Secretary of State for the Budget.

Viana Baptista, President, Portuguese Foreign Investment Institute.

PANEL ON INVESTMENT AND BUSINESS OPPORTUNITIES IN PORTUGAL

LUNCHEON ADDRESS.

Emano Lopes, Minister of Finance.

PANEL OF PORTUGUESE AND FOREIGN BANKS.

FOREIGN TRADE.

Alvaro Barreto, Minister of Commerce and Tourism.

Raquel Ferreira, Secretary of State for Foreign Trade.

The 1984 Herald Tribune Audience Survey

Dear Reader,

In June of this year we published in the paper a full page questionnaire which we asked you to fill out and return to us. We explained then that the information gathered by such research helps us in the development of our newspaper and its advertising markets. I am pleased to say that there was an exceptional response to this request with nearly 12,000 questionnaires returned for analysis to Research Services Ltd., an independent research group. Our thanks to all of you who returned a questionnaire for the time and trouble which you took.

As we have done in the past, we are printing here the results of this research, with the hope that they will be of interest to you.

As we promised, a charitable donation of \$1 was made for each questionnaire returned: this was done in accord with respondent preference so that CANCER RESEARCH received \$5,639, UNICEF \$2,909 and The RED CROSS \$3,176.

With our warmest thanks,

Lee W. Huebner
Lee HUEBNER
Publisher

Your Reading

1. Where did you obtain this copy of the newspaper?

Postal subscription: At home	16	Hotel delivered	4
Postal subscription: At work	14	Bought at newsstand	38
Home delivered	6	Airplane	10
Office delivered	10	Elsewhere	2

2. How often do you usually read or look at the International Herald Tribune?

5-6 days a week	56	Less often than once a week	6
3-4 days a week	13	First time reader	1
1-2 days a week	9	Only see when traveling	15

3. How many other people (including household and/or business colleagues) usually read your copy of the IHT?

One	35	Four or more	8
Two	18	No-one else	25
Three	9	More than one, but don't know how many	5

International Communications & Travel

4. Approximately how many times in the last month in your business or professional capacity have you...

Made or received any international telephone calls:

None	15	Once	9	2-4 times	24	5-10 times	11	11+ times	41
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Made or received telephone calls to/from North America:

None	32	Once	17	2-4 times	23	5-10 times	8	11+ times	20
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Sent or received international telexes or facsimiles:

None	32	Once	8	2-4 times	12	5-10 times	8	11+ times	40
------	----	------	---	-----------	----	------------	---	-----------	----

Freighted or couriered documents internationally:

None	41	Once	15	2-4 times	19	5-10 times	8	11+ times	17
------	----	------	----	-----------	----	------------	---	-----------	----

5. Approximately how many business air trips have you taken during the last 12 months?

None	18	1-5	32	6-11	19	12-24	16	25+	15
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6. Which of the following destinations have you flown to on business in the last 12 months?

Australia/N.Z.	7	U.S.A. East Coast	53	Singapore	14
Rep. South Africa	4	U.S.A. West Coast	29	Hong Kong	16
Africa	13	Other U.S.A.	30	Other S.E. Asia	19
Central/S. America	8	European countries	81	Gulf States	9
Canada	12	Japan	13	Saudi Arabia	7
Any other destinations	5			Other Arab States	8

7. Which class of air travel do you normally use on business trips a) for long trips (over four hours) and b) for short trips (up to four hours)?

First class	21	Long trips (4+ hours)	8
Business class or equivalent	46	Short trips (under 4 hours)	35
Full fare economy	26		49
Other	7		8

Base: All business air travellers.

Your Business Life

8. Do you work in an establishment employing five people or more?

Yes 79 Go to Q. 9 No 21

If no, are you...

Retired	5	Housewife	1
Student	3	Other	1

9. How many people are there in the establishment in which you work, including yourself? (By establishment we mean the whole of the premises under the same ownership or management at a particular address).

5-9	11	100-999	31
10-49	23	1,000-4,999	14
50-99	12	5,000+	9

Base: Employed in establishment 5+ employees.

10. What is your company's principal activity?

Agriculture/Forestry/Fisheries/Mining	3	Banking	9
Oil Industries	8	Insurance	2
Engineering/Construction	8	Stockbroking/Investments	3
Computers/Data Processing	5	Management/Consultancy/Accounting Services	3
Consumer Goods Manufact.	5	Other Financial Services	2
Other Manufacturing	10	Advertising/PR/Publishing/Broadcasting	6
Public Utilities	1	Legal or Medical Services	4
Distribution/Wholesale/Retail, Imports/Exports	8	Education	9
Transportation/Tourism	5	Arts, Entertainment	2
Government/Civil Service	9	Other Business or Professional Services	4
Armed Forces/Police	2	Other	6

Base: Employed in establishment 5+ employees.

11. What is your job title or position?

Proprietor/Partner	9	Middle Management	22
Chairman/President	6	Executive Staff	11
Managing Director	12	Clerical	2
Senior Management	23	Other	15

Base: Employed in establishment 5+ employees.

12a. In which, if any, of these financial areas are you wholly or partly responsible for company decision-making? (Check all which apply).

Domestic Banking Relations	24	Portfolio/Pension Fund Management	10
International Banking Relations	22	Money Market/Foreign Exchange Management	15
Corporate Finance/Development	22	Insurance Services	13

None of these 56

Base: Employed in establishment 5+ employees.

12b. For which of the following goods and services are you part of the Management team which is usually responsible for company decision-making? (For each category listed, check level of involvement).

Computer and Office Equipment	Responsible
Computers: Main frame (\$25,000+)	14
Mimis (\$10,000-25,000)	18
Micros (under \$10,000)	27
Other Terminals	20
Software purchase/Bureau selection	28
Office Photocopies	27
Facsimile Equipment	16
Word Processors	28
Telephone Systems/Switchboards	25
Network Systems	12
Other Telecommunication Equip.	18
Company Cars	27
Aircraft and related equipment	4
Business Premises/Industrial Site Selection	24
Plant/Plant equipment	20
Scientific instruments	14
Conference, Exhibition/Trade Fair Services	26
Advertising/Marketing Services	32
Executive Recruitment	34

Base: Employed in establishment 5+ employees.

13. Do you have responsibility for the policies or operations of your company outside the country in which you are currently based?

Yes 48 No 40 Company only operating in one country 12

Base: Employed in establishment 5+ employees.

About You ...

14a

EUROBONDS

Advantages of Dollar Issues Is Not So Great, Study Says

By CARL GEWIRTZ

International Herald Tribune

PARIS — How much would the dollar have to fall in the foreign exchange market to erase the advantage of the higher interest rates available on dollar Eurobonds? Not much, at least over the short term, says a study produced by Société Générale Strauss-Turnbull.

The report, called "Points of No Return," is the sixth in a series that have been issued irregularly since April 1978. The trading house defines points of no return as the level at which the exchange rate has to move to neutralize the difference in interest rates.

The new study, which used exchange rates prevailing Oct. 1, shows that over a two-year period, the dollar would have to decline 11.4 percent, from 3,079.6 Deutsche marks on Oct. 1 to 2,729 DM) before the interest-rate gap of nearly 6 percentage points in favor of the dollar was neutralized.

Over the same period, the study says, "the investor who wishes to diversify out of dollar bonds must be certain the dollar will fall 14 percent against the Swiss franc, 9 percent against the guinea and 12 percent against the yen." Against sterling, the fall is a much smaller 2 percent.

Moving out to a five-year horizon, and assuming that interest income is reinvested at rates currently prevailing, the exchange-rate move needed to neutralize the much higher dollar interest rates doubles. The dollar would have to drop 24 percent to 2,347.1 DM, or 30 percent to 1,787.7 Swiss francs or 24 percent to 187.55 yen.

Over a 15-year period, the required decline of the dollar more than doubles again: 52 percent to 1,469 DM, 63 percent to 0.9468 Swiss francs, 51 percent to 120.87 yen.

The critical assumption, of course, is the compounding rate of interest, which assumes that rates available in later years are comparable to those available today. This may or may not be a big assumption, depending on how one views the future. But the instrument exists to lock in that assumed reinvestment rate, zero coupon bonds.

Zeros currently are believed to have limited appeal, to investors who for domestic tax reasons prefer reporting capital gains income rather than annual interest income. But when looked at from the Strauss-Turnbull study, zeros also offer a way for non-dollar investors to lock up yield protection against fluctuations in the foreign exchange rate.

Last week, for example, Exxon sold to Merrill Lynch \$1.8 billion nominal amount of 20-year zeros. The amount actually raised was only \$200 million as Merrill paid Exxon only 11.05 percent of the face value. Merrill set the resale price at 11.65, but the paper was changing hands at around 11.20.

The list of co-managers surprised the market, for while it included the anticipated Japanese securities firms it also contained a large number of West German banks as well as Swiss, French and Luxembourg banks.

European banks say the major appeal of zeros (as well as warrants) is the low dollar cash outlay at a time when the dollar remains extremely strong on the foreign exchange market and unattractive to buy.

In the warrant market, Finnish Export Credit, Toronto Dominion Bank and Mitsubishi Finance each sold \$100 million of short-term notes with or bearing warrants (options), to buy seven-year bonds bearing coupons identical to those offered on the notes.

The underlying notes all traded at substantial discounts because the coupons in today's market are not deemed attractive. But the small outlay for the relatively long-dated options made that paper appealing.

The FEC warrants, to buy 12½-percent bonds, were initially valued at \$32.50 but ended the week at \$38. Mitsubishi's warrants, to buy 12½ percent securities, were offered at \$33 and ended the week at \$38.50. The difference between the two is the

(Continued on Page 11, Col. 4)

U.S. Increases Estimate Of Soviet Grain Imports

The Associated Press

WASHINGTON — The Soviet Union will have to import a record 50 million metric tons of grain in 1984-85, half again as much as it bought from foreign suppliers last year, the U.S. Agriculture Department said Friday. The figure is 4 million tons higher than the department estimated in September.

Faced with another poor crop, the Russians have turned heavily to the United States for grain. Since June 29, orders have totaled more than 15 million tons of wheat and corn. Most of that was bought under a long-term supply agreement and was set for delivery in the 1984-85 marketing year, which began July 1.

In September, the Agriculture Department predicted that the Soviet Union would import 46 million tons of grain in 1984-85, matching the 1981-82 record. Imports totaled 32.9 million tons in 1983-84. The new analysis followed a forecast Thursday by the department that Soviet grain output this

Currency Rates

Latest interbank rates on Oct. 12, excluding fees. Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates of 4 P.M. EDT.

	S	E	D.M.	F.F.	I.L.	Gdr.	B.F.	S.F.	Yen
Amsterdam	5.9205	4.2978	112.00	36.74	0.1620	5.576	122.17	41.77	
Brussels	6.2765	7.9434	20.21	4.95	0.1620	17.975	22.20	4.95	
London	5.81	7.2000	14.20	4.12	0.1620	4.485	12.20	2.005	
Milan	1.2343	1.2343	11.676	2.322.21	0.2324	7.957	3.1213	265.46	
Paris	1.1718	2.0500	61.730	200.90	—	56.235	36.878	75.18	7.738
New York	7.542	11.6743	30.649	4.977	272.00	15.164	37.25	1.0205	
Tokyo	24.20	30.40	79.71	24.04	12.40	12.40	12.40	12.40	
Zurich	2.549	2.1774	61.965	24.755	—	72.775	4.880	1.0205	
1 ECU	0.7201	0.5988	2.2413	0.6712	1.8403	2.2554	45.259	1.2699	175.594
1 SDR	0.94673	0.86091	2.0757	0.4073	1.8944	2.4467	62.2013	2.5244	245.025

1 S: Sterling; 1.2271 franc

1 (a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (d)

Units of 100 (e) Units of 1,000 (f) Units of 10,000 (g) not quoted (h) N.A. not available

Bank Bid On Debts Rejected

Extension Given By Mexico Court

By Gordon Mart

New York Times Service

MEXICO CITY — A Mexican court has ruled that Cerveceria Moctezuma, one of Mexico's largest breweries, must be allowed to repay its debt to foreign banks over the next three years.

The ruling ended, at least temporarily, an attempt by the foreign banks, led by Bank of America and Chase Manhattan, to force the immediate repayment by the beer company of debts totaling more than \$340 million.

And it averted what would have been the first bankruptcy in the renegotiation of a number of private-sector debts with foreign banks.

There was no official reaction from the foreign banking community here, which has refused to comment on the case. However, one frustrated banker said, "There's no way that the company can pay in three years in pesos, yen or Monopoly money."

Mexican government officials said they are worried that the Cerveceria Moctezuma situation will impair other private-sector debt renegotiations.

One official described the Cerveceria situation as "lamentable" because "we've had similar situations that have been resolved through negotiations."

A number of Mexican companies are still involved in debt renegotiations. Monterrey-based Visa is the biggest so far to complete a restructuring debt package.

The court ruling, issued last Tuesday, accepted the validity of the "suspension of payments" order that had been sought by Cerveceria Moctezuma. Under Mexican law, this frees the company of debt payments — and bars further accumulation of interest — until a new agreement can be reached with the banks.

The judge also ruled that Cerveceria Moctezuma can repay its dollar debts in pesos.

"In my judgment," the judge said, "the company is viable and the situation could be resolved through negotiation."

Cerveceria Moctezuma, the maker of Superior and Dos Equis beer, has been in trouble since 1982, when it found itself unable to pay off dollar debts incurred before Mexico's currency was devalued in several stages by a total of more than 85 percent.

The devaluations increased by five or six times the debt servicing capacity of the company, which has made no payments on interest or principal since late 1982.

Cerveceria Moctezuma is owned by Alberto Bailleres, one of Mexico's most prominent industrialists.

Unlike other restructuring talks between private companies and foreign bankers, those involving Cerveceria Moctezuma have been troubled from the beginning.

At one point, Northwestern Bank of Minneapolis was threatening to demand full payment of its \$3-million loan to a distribution company owned by Cerveceria Moctezuma, which would have thrown the company into bankruptcy.

The rumors were quickly squelched. What problems there were in raising deposit money turned out to be insignificant, and the bank remained well clear of the status of an endangered institution.

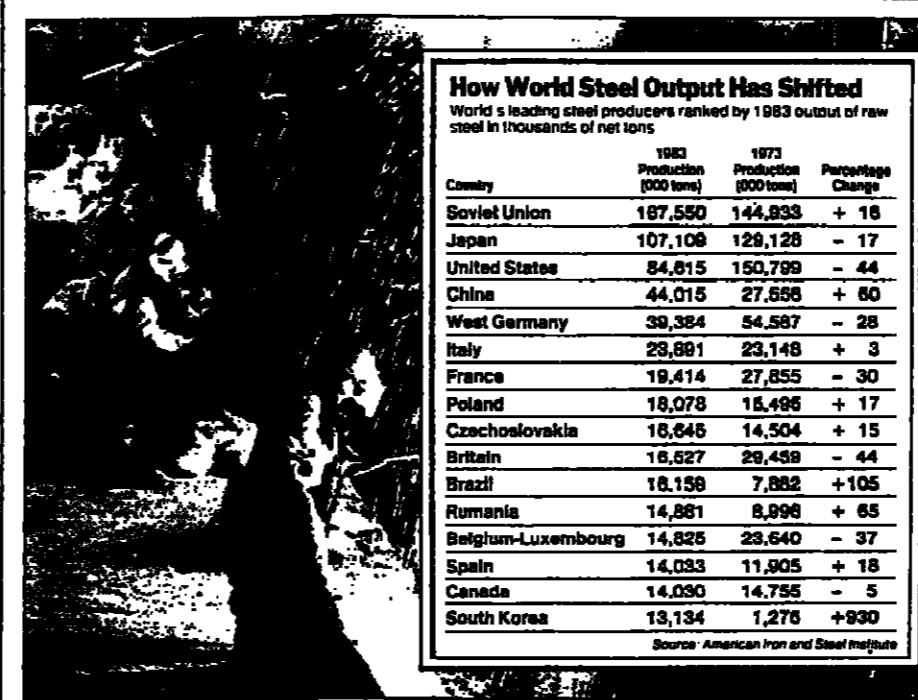
Last week, it even reported third-quarter net income of \$8.6 million, a relatively good harvest of 195 million tons, wheat production was 78 million tons, according to U.S. estimates.

One reason for revising the production estimates downward, the department said, is that the crop area apparently is smaller than had been thought. The estimated area of the 1984 crop has been reduced to 118 million hectares (290 million acres), from the 120 million estimated a month earlier.

That would make the 1984 Soviet grain area the smallest since 1971.

In September, the Agriculture Department predicted that the Soviet Union would import 46 million tons of grain in 1984-85, matching the 1981-82 record. Imports totaled 32.9 million tons in 1983-84.

The new analysis followed a forecast Thursday by the department that Soviet grain output this



How World Steel Output Has Shifted

World's leading steel producers ranked by 1983 output of raw steel in thousands of net tons

Country	1983 Production (000 tons)	1973 Production (000 tons)	Percentage Change
Soviet Union	167,550	144,933	+ 13
Japan	107,108	129,128	- 17
United States	84,815	150,799	- 44
China	44,015	27,856	+ 60
West Germany	39,384	54,587	- 28
Italy	23,891	23,148	+ 3
France	19,414	27,655	- 30
Poland	18,078	15,498	+ 17
Czechoslovakia	16,645	14,504	+ 15
Britain	16,527	29,459	- 44
Brazil	16,158	7,882	+ 105
Romania	14,861	8,996	+ 65
Belgium-Luxembourg	14,825	23,640	- 37
Spain	14,033	11,905	+ 18
Canada	14,030	14,755	- 5
South Korea	13,134	1,276	+ 930

Source: American Iron and Steel Institute

The New York Times

Steelmakers Look Past Low Prices, Overcapacity to See Cause for Hope

By Steven Greenhouse

New York Times Service

CHICAGO — For several years, the world's steelmakers have felt that they were in a bottomless pit, dug by excess capacity and deepened by falling demand. But the dozens of steel executives who assembled here last week for the annual conference of the International Iron and Steel Institute seemed to feel they had reached bottom and were coming up again.

Steelmakers are still plagued by worldwide overcapacity, which is depressing prices and decimating profits, and are concerned about protectionist pressures. But there was a distinct note of optimism at the gathering, which included steelmakers both from developing and industrialized nations.

"I think we will find not too far away a new balance between supply and demand," said Jacques P. Michel, associate director-general of Usinor, France's largest steelmaker. An optimistic estimate of when that will occur, he said, was "in just two or three years."

Steelmakers here said they were more encouraged than they had been since the 1982 recession, which caused steel demand to plummet. They said they were heartened that global demand was picking up and that steelmakers around the world were finally taking substantial steps to get capacity in line with demand.

They expressed guarded relief that the Reagan administration had rejected the U.S. industry's demand for a quota to limit imports to 15 percent of the market, and instead promised to negotiate agreements to limit imports to 18.5 percent. Many

executives predicted that protectionist pressures would subside as supply and demand came more closely into balance.

Still, the manufacturers agreed that their problems were far from over. Several executives and the industry would be awash in overcapacity for another decade.

"There's about 300 million tons of capacity worldwide than we need," said E. Bradley Jones, chairman of LTV Steel, the company formed by the merger of Republic Steel Corp. with Jones & Laughlin Steel.

He and most other executives here agreed that even though the industry had closed mills with more than 50 million tons of capacity in the last five years, more difficult cuts lay ahead. Many said another 15 percent of worldwide capacity would be cut, largely by closing older plants in the United States and Europe.

Steelmakers here said they were more encouraged than they had been since the 1982 recession, which caused steel demand to plummet. They said they were heartened that global demand was picking up and that steelmakers around the world were finally taking substantial steps to get capacity in line with demand.

They expressed guarded relief that the Reagan administration had rejected the U.S. industry's demand for a quota to limit imports to 15 percent of the market, and instead promised to negotiate agreements to limit imports to 18.5 percent. Many

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New Eurobond Issues

Issuer	Amount (millions)	Mat.	Coup. %	Price at offer	Yield at end of week	Price	Terms
FLOATING RATE NOTES							
Barclays Overseas Investment	\$600	perpet	1/4	—	100	98.55	Over 6-month Libor. Minimum coupon 2% for first 6 years. First callable at par in 1990. Commissions 1.05%.
Citicorp Overseas Finance	\$400	1996	1/4	100	—	99.75	Over 3-month Libor. Minimum coupon 5/4%. Callable at par in 1986, increased from \$300 million. Commissions 0.95%.
Credit Foncier	\$150	1999	Libor 10 1/4	—	103	—	Pegged to 6-month Eurodollar rate. Minimum coupon 5/4%. Callable at par on any interest payment date after 1985. Exchangeable during first year into company's 12 1/4% 7-yr French franc bond, callable at 103 if less than 75 million francs worth bonds are converted. Commissions 0.75%. Exchange rate to be set Oct. 18.
Den Norske Creditbank	\$150	perpet	1/4	100	—	99.46	Over 3-month Libor. Minimum coupon 5/4%. Callable at par in 1989. Commissions 1.25%.
Ford Motor Credit	\$200	1991	1/4	100	—	99.35	Over 6-month Libor. Minimum coupon 5/4%. Callable at par in 1988. Commissions \$10,000. Commissions 0.75%.
ANZ Bank	£78	1997	1/4	100	—	98.85	Over 3-month Libor. Noncallable.
Wells Fargo	£60	1994	1/4	100	—	99.35	Over 3-month Libor. No minimum coupon. Callable at par on any interest payment date after 1989.
FIXED-COUPON							
Finnish Export Credit	\$100	1989	12 1/4	100	12 1/4	98.50	Noncallable. Each \$5,000 bond with 5 warrants, each exchangeable into a \$1,000-note of company's 12 1/4% of 1991 at 101.95, with warrants of \$385 each, making price of package 102.94. Package ended the week of 101.95, with warrants of \$385.
Exxon Capital	\$1,800	2004	zero	11.65	11.35	11.10	Callable any time or par. Proceeds \$199 million. Denominators \$10,000.
Mitsubishi Finance	\$100	1989	12 1/4	100	12 1/4	98	Each \$5,000 bond with 5 warrants, each exchangeable into a \$1,000-note of company's 12 1/4% of 1991 at 101.95, with warrants of \$385 each, making price of package 102.94. Package ended the week of 101.95, with warrants of \$385.
Toronto Dominion Bank	\$100	1988	12 1/4	100	12 1/4	97.98	Each \$5,000 bond with 5 warrants, each exchangeable into a \$1,000-note of company's 12 1/4% of 1991 at 101.95, with warrants of \$385 each, making price of package 102.94. Package ended the week of 101.95, with warrants of \$385.
Beecham	DM 200	1994	7%	100	7%	97.88	First callable at 102.94 in 1989.
Denmark	DM 150	1989	7%	100	7%	98.75	Noncallable.
Denmark	DM 150	1994	7%	99.4	7.79	98.25	Noncallable.
New Zealand	DM 250	1991	7 1/4	100	7 1/4	98.38	First callable at 101 in 1989.
Spain	DM 60	1992	7%	99.4	7.92	—	First callable at 101 in 1989.
World Bank	CS 75	1991	12 1/4	99.4	12.56	—	Noncallable.
World Bank	DF 100	1989	7%	100	7%	99.25	Noncallable private placement.
ECB Finance	ECU 40	1993	11 1/4	100%	11.13	100.25	Noncallable.
Bank of Tokyo	ECU 40	1991	10 1/4	100	10%	99.63	First callable at 101 in 1987.
EQUITY-LINKED							
NZI Overseas Finance	\$50	1994	open	100	—	97.25	Coupon indicated at 100%. Callable at 104 in 1985. Convertible at a 15% premium for the first 2 years, 10% for the following 2 years and 4% thereafter. Terms to be set Oct. 17.
Tokyo Sanyo Electric	\$100	1999	open	100	—	100.38	Semiannual coupon indicated at 30%. Callable at 104 in 1987. Convertible at an anticipated 5% premium. Terms to be set Oct. 18.
Nippon Seiko	\$70	1999	open	100	—	—	Coupon indicated at 30% semiannually. First callable at 104 in 1987. Convertible at an anticipated 5% premium. Terms to be set Oct. 18.
Kaufhof Finance	DM 150	1994	3 1/4	100	3 1/4	104.50	First callable of par in 1988. Each 1,000-mark bond with 2 warrants, each exchangeable into company's shares of 227 marks, a 1.5% premium.

Rates Ease, but Outlook Uncertain

New York Times Service

NEW YORK — Despite an easing of interest rates, especially in the short-term market, where the rate on three-month Treasury bills

dropped below 10 percent for the first time since late June, market participants did not see any change in the interest-rate outlook.

They said that Friday's late afternoon trading — which raised Treasury-bill rates only a few hundredths of a percentage point and depressed note and bond prices by no more than 1/4 point — was mostly the result of speculative dealing.

Apprehension over bank earnings reports encouraged some speculators to buy Treasury bills, analysts said. As well, demand from money-market mutual funds is growing as those funds become

more selective about purchases of bank certificates of deposit.

"Where we are going is still uncertain," said Stephen Slifer, a money-market economist at Lehman Government Securities. "I'm not convinced that the economy is so weak that the Fed needs to ease policy more, but it's not clear yet that they have stopped."

The overnight rate for bank loans in the federal-funds market, a closely watched benchmark for other short-term rates, averaged about 10.15 percent Friday. This rate has declined in recent weeks as the Fed made bank reserves more available, fostering lower interest rates in light of the slow growth in the money supply.

With inflation low, the economy's sputtering strains in the financial system and slow money-supply growth, the Fed has every reason to ease policy," said Herbert E. Neal

U.S. Consumer Rates

For Week Ended October 12

Passbook Savings	5.95 %
Tax-Exempt Bonds	10.36 %
Money Market Funds	10.35 %
Bank Money Market Accounts	9.78 %
Home Mortage FHLMC overrate	14.91 %

Ir., a vice president at Harris Trust and Savings Bank. He noted that money-supply growth in the third quarter was slowest in about three years. "The slow money-supply growth will not necessarily tip the economy downward, but it provides a reason for the Fed to ease policy a bit."

In the note and bond market, government securities dealers said there was substantial trading in the two-year Treasury issue to be auctioned Oct. 17. Offered late in the day at 11.84 percent, analysts said the two-year issue appealed to many buyers because its yield seemed generous compared with the rates available in the Treasury bill market.

Among longer-term issues, the seven-year Treasury notes scheduled for sale Oct. 16 were offered at 12.36 percent, which is about the highest yield available in the Treasury market. With the higher yield, analysts said, the seven-year was attracting an increasing amount of demand from investors who were swapping out of securities with shorter and longer maturities.

Chairman Quits HBO in Dispute

New York Times Service

NEW YORK — Frank J. Biondi, who became chairman and chief executive officer of Time Inc.'s Home Box Office in March, has left the cable-television network because of "policy differences" with Time's management, the company said.

Michael J. Fuchs, 38, who became president in March, will become chief executive, Time said.

Mr. Biondi, 39, was a Wall Street analyst before joining HBO in 1978. He became president in February 1983. Analysts suspect that his sudden departure may be the result of problems at the network. After a period of dramatic growth, HBO's sales this year have not kept pace with Mr. Biondi's ambitious plans.

In addition, Manufacturers Hanover has been a major lender to the hard-pressed energy industry.

Although Manufacturers Hanover has never lost money, the quality of its earnings record has been mediocre. Its return on assets, a key measure of a bank's basic profitability, has been consistently below the median for the 15 largest U.S. banks. Based on net income available to common stockholders, averaged over 1979-1983, Manufacturers Hanover ranked ninth out of 15. In addition, its reserve for loan losses has been persistently lower than that of the other major banks, although a substantial improvement in this ratio was made during the past year.

"This is a bank that's mediocre; it's not the worst, but it's not the best," Mr. Col said.

First Chicago Confirms Loss

Confirming its earlier warning of a large loss, First Chicago Corp. reported Friday a loss of \$71.8 million in the third quarter after写ing off bad loans in domestic energy and agriculture, and foreign shipping and construction. The New York Times reported.

The company, the ninth-largest U.S. bank holding company and parent of the First National Bank of Chicago, had a profit of \$49.1 million, or \$1.05 a share, a year earlier.

American Exchange Options

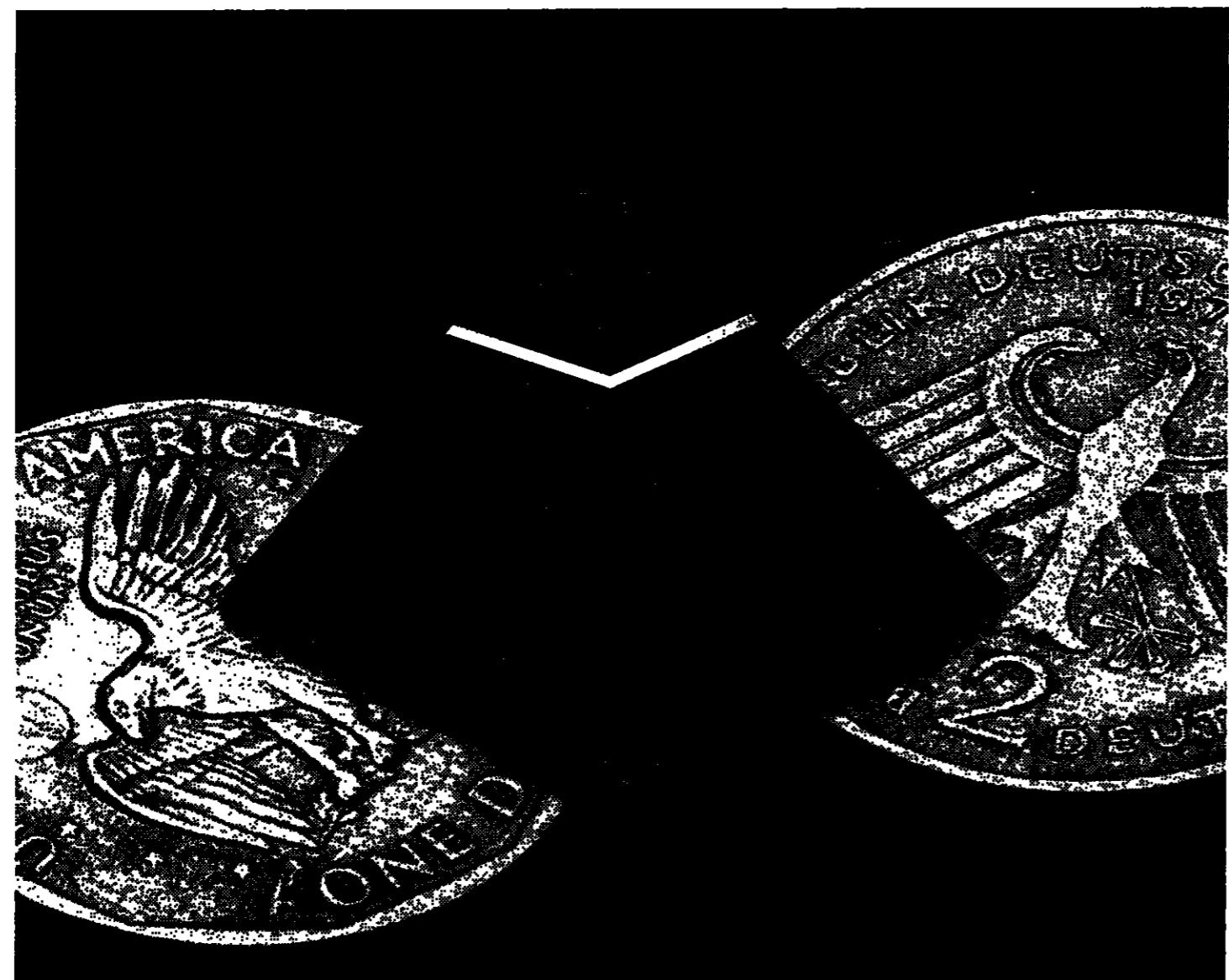
For the Week Ending Oct. 12, 1984

Option & price	Calls	Puts	Option & price	Calls	Puts	Option & price	Calls	Puts
Oct 13	100	—	Oct 13	100	—	Oct 13	100	—
100 1/2	100	—	100 1/2	100	—	100 1/2	100	—
100 3/4	100	—	100 3/4	100	—	100 3/4	100	—
100 5/8	100	—	100 5/8	100	—	100 5/8	100	—
100 1/4	100	—	100 1/4	100	—	100 1/4	100	—
100 1/8	100	—	100 1/8	100	—	100 1/8	100	—
100 1/16	100	—	100 1/16	100	—	100 1/16	100	—
100 1/32	100	—	100 1/32	100	—	100 1/32	100	—
100 1/64	100	—	100 1/64	100	—	100 1/64	100	—
100 1/128	100	—	100 1/128	100	—	100 1/128	100	—
100 1/256	100	—	100 1/256	100	—	100 1/256	100	—
100 1/512	100	—	100 1/512	100	—	100 1/512	100	—
100 1/1024	100	—	100 1/1024	100	—	100 1/1024	100	—
100 1/2048	100	—	100 1/2048	100	—	100 1/2048	100	—
100 1/4096	100	—	100 1/4096	100	—	100 1/4096	100	—
100 1/8192	100	—	100 1/8192	100	—	100 1/8192	100	—
100 1/16384	100	—	100 1/16384	100	—	100 1/16384	100	—
100 1/32768	100	—	100 1/32768	100	—	100 1/32768	100	—
100 1/65536	100	—	100 1/65536	100	—	100 1/65536	100	—
100 1/131072	100	—	100 1/131072	100	—	100 1/131072	100	—
100 1/262144	100	—	100 1/262144	100	—	100 1/262144	100	—
100 1/524288	100	—	100 1/524288	100	—	100 1/524288	100	—
100 1/1048576	100	—	100 1/1048576	100	—	100 1/1048576	100	—
100 1/2097152	100	—	100 1/2097152	100	—	100 1/2097152	100	—
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Over-the-Counter

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CS Investment-Service plus.



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(Continued on Page 13)

Consolidated Trading Of NYSE Listing

Week ended Oct. 12

	Sales	High	Low	Last	Chg.
EDS	5,740,000	44	44	44	+16
IBM	5,675,500	224	186	215	+46
ITT Co	5,221,300	304	267	30	+36
ITT Co	5,161,180	85	54	56	+46
AT&T	5,155,007	182	182	182	+16
Sears	5,000,000	224	214	214	+16
AT&T	4,114,000	100	95	100	+16
Exxon	4,000,500	454	454	456	+16
ARHICR	1,248,000	512	496	504	+14
AMD	1,214,000	352	32	343	+13
GMeI	3,104,500	772	736	77	+16
AmEx	1,045,400	354	326	342	+16
BerLyn	2,075,400	304	276	276	+24
CoTrp	2,867,400	324	26	306	+16
BonTr	2,854,700	1376	1216	1376	+16
NewPwK	2,819,200	374	344	38	+21
StarLab	1,553,500	392	362	396	+21
Mem	2,771,000	114	110	114	+16
Wells	2,572,500	314	28	306	+16
Power	2,500,700	134	124	124	+16
Issues Traded In: 2,231					
Advances: 1,151; Declines: 807					
Unchanged: 264					
New highs: 84; new lows: 59					
Volume					
This week _____					
last week _____					
12 months ago _____					
1983 to date _____					
1982 to date _____					
1981 to date _____					
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Kredietbox Indice

(Base 100 May 1, 1977)

industrials, US S & L.	81.167
mtl institutions US S & L.	91.362
US 5 medium term	99.151
canadian 5 medium term	100.533
ECU medium term	102.262
IC 9	91.354
DM	91.854
builders	101.266
F short term	128.442
Lux	99.277
mtl inst. F Lux medium term	104.846
F Lux medium term	101.257
mtl inst. Lux long term	102.373

Treasury Bills

YMD	81d	84d	YMD
0-18	9.57	9.47	9.61
0-25	9.65	9.59	9.75
1-1	9.76	9.68	9.88
1-8	9.82	9.74	9.95
1-15	9.71	9.61	9.82
1-24	9.80	9.74	9.96
1-29	9.76	9.70	9.87
2-6	9.76	9.70	9.89
2-13	9.76	9.70	9.89
2-20	9.84	9.80	10.10
2-27	9.83	9.77	
3-3			
3-10	9.84	9.78	10.12
3-17	9.90	9.86	10.24
3-24	9.88	9.82	10.22
3-31	9.84	9.80	10.23
4-7	9.75	9.70	10.14
4-14	9.76	9.69	10.27
4-21	9.77	9.71	10.21
5-28	9.98	9.92	10.45
6-4	10.30	9.94	10.49
6-11	9.97	9.73	10.58
6-18	9.93	9.63	10.52
6-25	10.01	9.94	10.55
7-1	10.07	9.75	10.63
7-8	10.01	9.77	10.63
7-15	10.07	9.77	10.67
7-22	10.05	9.75	10.68
7-29	10.07	10.01	10.73
8-5	10.09	10.03	10.75
8-12	10.08	10.02	10.74
8-19	10.05	10.01	10.76

Tigers Roar Past Padres To Hold 3-1 Series Lead

By Ross Newhan
Los Angeles Times Service

DETROIT — There was nothing classic about Detroit's 5-2 victory over San Diego in Game 3 of baseball's fall classic except a twisting, two-on, two-out catch by the Tiger center fielder, Chet Lemon, in the seventh inning and the near flawless relief pitching of Willie Hernandez.

Hernandez, a candidate to win the Cy Young and Most Valuable Player awards, said before the game

GAME 3

that his chances of returning to the Tigers next season were "50-50" because of a contract dispute.

He later enhanced his case by pitching 2½ shutout innings in relief of Milt Wilcox on a night on which the Tigers won despite stranding 14 runners.

A crowd of 51,970 saw the local team blow repeated chances to make it laughter while gifted with 11 walks, one hit batsman and one wild pitch.

The Tigers won it on a four-run second inning in which Marty Castillo hit a two-run homer and Alan Trammell ripped an RBI double.

If the Tigers were happy to return to the soft turf of their home field, they were happier yet to face another of San Diego's soft-touch starting pitchers.

This time it was the southpaw Tim Lollar setting the pattern as he combined with Greg Booker and Greg Harris to pitch 172 pitches (81 of which were balls) and prove conclusively that it is possible to walk after dark in Detroit.

The 11 walks tied a World Series record set by the New York Yankees against the Brooklyn Dodgers on Oct. 5, 1956, and tied by the Milwaukee Braves against the Yankees a year to the day later.

Lollar, who was 11-13 during the season, pitched only 1½ innings in this game, giving up four walks, four hits and four runs.

Booker issued four walks, and Harris, who allowed eight runs in two innings of the opening playoff game, walked three over the final 5½ innings.

Lollar had one out in the second when Lemon singled and two out when Castillo homered in the upper deck in left. A man who hit only four homers in 141 regular-season at-bats, Castillo said, "I don't really have home-run power, but when a pitcher throws you a belt-high fastball over the middle of the plate, you should hit it out."

Lollar then walked Lou Whitaker, yielded the RBI double to Trammell, walked Gibson and allowed an infield hit by Lance Parrish. He was replaced by Booker, who walked Larry Hendon to force in the inning's fourth run.

Singles by Alan Wiggins and Tony Gwynn helped San Diego retrieve a run in the third, but three walks by Booker led to another Tiger run in the home half.

Each Detroit inning seemed like a season unto itself and had a stifling effect on Wilcox, who is known as the Count of Cortissons because of the many injections he required to ease an arthritic shoulder. He gave up seven hits while allowing one run in six innings. Detroit did not score a run yet after the fifth inning in this series.

The Padres helped dig their own hole immediately when Alan Wiggins was charged with a tough and debatable error on the first Tiger offensive play of the game. Trammell stepped up, got the room-service fast ball down the middle that Padres starters seem ordained to throw in the first inning, and hammered it over the 340-foot sign in the left field corner.

"Wham-bam, thank you, Tram," said the huge center-field scoreboard.

SCOREBOARD

Football

Selected U.S. College Football Results

Team	Opp.	Score	Time
Albany 26, Cornell 0			
Amherst 19, Colby 7			
Buffalo St. Coll. 25, Marquette 14			
Catholic 20, St. Francis 7			
Colgate 20, Cornell 0			
Dalaware St. 27, Mote 7			
Delaware St. 70, Bowle St. 8			
Harvard 24, Cornell 18			
Holy Cross 20, Colgate 27			
Indiana (Pa.) 56, Clinton 16			
Ithaca 10, Buffalo U. 6			
Utica 10, Cornell 13, Muhlenberg 3			
Lehigh 20, Connecticut 13			
Not. 21, Lehigh 1			
New Haven 27, American 19			
New Hampshire 17, Bucknell 16			
Princeton 28, Columbia 8			
Rhode Island 30, Northeastern 22			
Richmond 24, Massachusetts 7			
Rutgers 14, Cornell 7			
Trinity 10, Tufts 3			
Union 16, Rochester Tech 8			
Utica 17, Lycoming 10			
Wesleyan 7, Hamilton 7			

Transition

BASKETBALL
National Basketball Association
DETROIT—Signed: Gerald Henderson, center, to a one-year contract.
DETROIT—Signed: Sidney Lowe, guard, in a multi-year contract.
KANSAS CITY—Re-signed: Larry Micheaux, forward, and Joe Dawson, guard.
MINNEAPOLIS—Signed: Butch Graves, guard, to a one-year contract.
PHOENIX—Signed: Paul Westphal, guard.

FOOTBALL
National Football League
KANSAS CITY—Re-activated Jerry Blum, linebacker. Waived: Larry Ricks, running back. To a one-year contract.

LOS ANGELES RAIDERS—Placed Jim

Plunkett, quarterback, on the injured reserve list.

DETROIT—Signed: Sidney Lowe, guard, in a multi-year contract.

KANSAS CITY—Waived: Larry Micheaux, forward, and Joe Dawson, guard.

MINNEAPOLIS—Signed: Butch Graves, guard, to a one-year contract.

PHOENIX—Signed: Paul Westphal, guard.

HOCKEY
National Hockey League
CHICAGO—Announced the retirement of Grant Mahay, right wing. Sent Jim Roach, general manager, to the International Hockey League.
DETROIT—Extended the contract of Nick Potocki, head coach, through 1985-86 season.

HARTFORD—Signed: Greg Miller, goal-tender, to a two-year contract.

TRANSITION

Hockey

NHL Standings

WALES CONFERENCE
Patrick Division

Philadelphia 1 0 1 3 6 4 10
New Jersey 1 1 0 2 9 12 13
NY. Rangers 0 1 1 1 5 7 10
Washington 0 1 1 1 4 5 8
Pittsburgh 0 2 0 0 4 8 12
Adams Division

Hartford 1 0 1 3 7 6 10
Boston 1 1 0 2 6 6 10
Buffalo 1 0 1 2 7 7 10
Montreal 1 1 0 2 7 7 10
Quebec 1 1 0 2 7 9 12

CAMPBELL CONFERENCE
Maritime Division

Toronto 2 0 0 4 5 3 10
Chicago 1 1 0 2 10 16 17
Detroit 1 1 0 2 7 7 10
Minnesota 1 0 1 2 3 7 10
St. Louis 1 1 0 2 5 7 10

Sault Ste. Marie Division

Calgary 1 1 0 1 3 7 10
Edmonton 1 0 1 1 2 9 6
Los Angeles 0 1 1 1 7 8 10
Vancouver 0 0 0 0 0 0 0
Vancouver 1 1 0 2 2 10 12
Montreal 1 1 0 2 7 7 10

FRIDAY'S RESULTS

Philadelphia 3 1 1-5
(Schembechler 2 (3), Anderson 2 (2);
Sutler 1 (2). Goals: Moog; Lutz (3). Shuts:

Goal: On Lutz: 9-18-36; On Moog: 11-7-10.

New Jersey 0 3 1-2
(Brooks 1, Verbeek 1, Bridgeman 1, Goine 1, Petrucci, Sullivan 1; Laver 1; Bosz, 1; Tornoff 1). Goals: Reich; Melton, Shuts on Goal: On Melton: 8-16-34; On Reich: 11-10-10.

NY. Rangers 1 1 0 2 7 7 10
(Schembechler 2 (3), Anderson 2 (2);
Sutler 1 (2). Goals: Moog; Lutz (3). Shuts:

Goal: On Lutz: 9-18-36; On Moog: 11-7-10.

Washington 0 1 1 1 5 7 10
(Schembechler 2 (3), Anderson 2 (2);
Sutler 1 (2). Goals: Moog; Lutz (3). Shuts:

Goal: On Lutz: 9-18-36; On Moog: 11-7-10.

Pittsburgh 3 0 1 1 5 7 10
(Carron 1, Weller 1, Zeller 1, Ross 1, Lutz 1; Brooks 1, Fox 1, Montha 1). Goals:

Penney 1; Bodner 1, Fox 1, Montha 1. Goals:

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Penney 1; Bodner 1, Fox 1, Montha

LANGUAGE

A Winner and a Loser

Out of Prison and Into the Movies

By Lawrence Van Gelder
New York Times Service

NEW YORK — "Twelve years ago," Anzac Wallace was saying, "I would rather have punched you than talk to you."

Wallace, a full-blooded Maori who is the star of the New Zealand film "Utu," was discussing his life — a life that sounds like a movie waiting to be made.

At the age of 41, Wallace looks back on a childhood of theft and other crimes, on 14 years of prison, on a powerful role in a bitter labor dispute that catapulted him into an unexpected career in movies that has made him something of a spokesman for his people — and, of course, his is a tale with a love story, too.

"Utu" describes a Maori rebellion against European settlers in the 1870s. It is Wallace's first film, and in "Utu" — the title refers to a Maori concept of honor — he portrays Te Whetu, a Maori scout for British troops who turns against the Pakeha — the Europeans — and leads the bloody uprising after witnessing a massacre of innocent Maori villagers.

The film, whose opening in New York to generally favorable reviews coincided with a major exhibit of Maori art at the Metropolitan Museum, has served to focus attention on New Zealand's Maori history and population, about 300,000 of the country's three million inhabitants.

"Utu," I think, has many parallels to today's life, particularly the life I've led," Wallace said. "I have always been a very aggressive person, very much like the character of Te Whetu."

As a result, "I found the part quite easy to play," he said. "I don't say that it was enjoyable, but it was very easy for me to portray an angry man."

The movie, depicting excesses on the part of both the Pakeha and the Maori, embodies a call for reconciliation, which Wallace firmly supports, although not without a trace of bitterness.

"We now have Pakeha in New Zealand," Wallace said, "and many of us feel we can't do without Pakeha. So we strive to cooperate, we've tried to get on. We are asking that the Pakeha recognize some of our traditions, recognize that we have jumped the fence and sort of learned their culture, if you can call it culture."

"We recognize also that our culture has been taken away from us forcefully, our language has been destroyed through the education avenues. Even my own parents were strapped or caned — they were corporally punished for speaking the language," said Wallace, who had to be

coached to speak his Maori lines in "Utu."

"We are just recognizing that we retain our language and encourage those who have drifted or lost their language to get back to it, that while we've been so willing to learn the English language and the English customs, they have not made too much of an effort to come and learn us."

Among these Maori ways, he says is the belief that to go to jail is to disgrace the family name. So, he said, "I changed my name out of the blue. My father told me if I got out of jail again, change my name."

That was the origin of Anzac Wallace, although the name on his birth certificate, he says, is Norman Pérez Rewiri.

Four years after leaving prison for the last time, Wallace found himself a union chairman in the 13th month of New Zealand's longest-running industrial dispute, involving construction workers on the Mangere Bridge over Manukau Harbor in Auckland.

Geoff Murphy, the director of "Utu," who was looking for someone to play the role of the fierce yet scholarly Te Whetu, saw Wallace in some documentary film footage that showed him chairing a Maori council for British troops who turns against the Pakeha — the Europeans — and leads the bloody uprising after witnessing a massacre of innocent Maori villagers.

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At 14, he was expelled from school for smoking and not long afterward was dispatched to a borstal, or reformatory, for theft.

"Borstal training," said Wallace, who spent part of his recent visit in New York speaking before prisoners on Rikers Island, "introduced me to other people of like nature but with far greater experience, and they introduced me to other things, like housebreaking.

"And each time I went away I'd come out with a few more loyal friends. I felt, and still do, but had gained a lot more knowledge about crime activities. So eventually I was introduced to explosives and firearms, and my situation outside hadn't changed at all."

"So it wasn't long before I had a shotgun in my hands and was holding up a 'totalizer agency,' an off-track betting parlor. Once I realized my offense was as serious as it was, that the consequence was going to be jail for a long time, I involved myself in other crimes, one or two of which I would prefer to forget. But I was sentenced to prison for six years for the armed robbery."

It was then — at Paremoremo, New Zealand's only maximum security prison, where he spent three-and-a-half years that Wallace's life began to change. He was, he said, the process of "discovering myself. I started the discovery inside and asked myself why I was here, and realized that one of my biggest problems was the inability to relate to other people. I was illiterate. I was very angry. I had grudges. I had great big chips on my shoulders."

Despite his isolation, he said, "I managed to con a couple of the screws to smuggle me pages of dictionaries and magazines. I taught myself to read. I taught myself to write. I played-acted. I was the audience and the performer. Without a telephone, I taught myself how to converse on a telephone. Without a microphone, I taught myself to speak publicly. Without a typewriter, I taught myself to type. Without a native, I tried to teach myself how to speak Spanish. And without a punching bag, I couldn't fight. I found I was actually transferring that aggression into words."

But when he came out of prison 10 years ago, he was still bitter. "I felt resentful toward authority, Pakeha, and became a warrior-like person on the

streets. It was about three months of terror for a lot of people. I soon learned, too, that it was getting me nowhere and probably gave me a passport to jail again and started to temper my violence."

Wallace went back to his old school and arranged to talk to the students about the consequences of crime. After six months, "I felt was getting stale," he said, and abandoned his lectures. He worked on construction jobs for a while and then was hired as foreman on the Mangere Bridge project, which led to his film career.

Since "Utu" Wallace has worked for the New Zealand Laborers Union as an organizer. He is made another movie, "The Silent One," in which he plays a Polynesian, and he has become a community-organizer for the Pacific Islanders to participate in trade union affairs.

"I still didn't consider myself an actor even when I did 'The Silent One,'" Wallace said. "But now I feel I've got some things to contribute to the film industry. I've become recognized as an actor and respected in New Zealand as an actor and am becoming internationally known as an actor. So if I'm offered any parts, depending on the part, I would pursue a career in acting." But in the meantime, he

"So this lady who was doing her Christian mission sat on my bed and asked if she could bring me fruit and visit regularly. I said, 'I want to kiss you.' And she responded, and I discovered that the white-haired old man who was seeing me to heaven was this lady's father.

"And that lady is my wife today."



Anzac Wallace as a Maori warrior in "Utu."

will help in labor organizing as much as he can.

Wallace, who is married and has three children, rounds out his biography with the love story.

"In 1974," he said, "I was driving a truck and smashed the truck through a bridge railing." When he regained consciousness at the wreck site, "I was pretty badly smashed up. There was a white-haired old man praying over me, and I recall him saying something like, 'When he gets to heaven — , and sometime after that I woke up in a hospital surrounded by nurses who I thought were angels. And a lady who used to go and visit strangers in the hospital out of Christian work came to visit me."

"While I was inside, I understood things like relationships with women for me were not lasting, so I taught myself how to kiss, how to speak to women. I determined that the first beautiful woman I met I would kiss and I would marry."

"So this lady who was doing her Christian mission sat on my bed and asked if she could bring me fruit and visit regularly. I said, 'I want to kiss you.' And she responded, and I discovered that the white-haired old man who was seeing me to heaven was this lady's father.

"And that lady is my wife today."

By William Safire

WASHINGTON — Certain foreign words, taken into the outer circle of the English language, rotate quietly within the band assigned them by whatever elite did the importation, bothering nobody else. Then, suddenly, a satellite word slips through the frequency barrier and comes closer to Mother Tongue; it is not yet absorbed and is rarely used by most native speakers, but it is tried by jargonauts, neologists and avant-gardists often enough to rate a close look by swinging linguists.

Such a word a generation ago was *apparatchik*, the Russian word for "member of the Communist Party, or *apparatus*," which spent its first decade handled about by Sovietologists in United States think tanks and by intelligence agents at Langley, then made its way into scholarly journals, then to spy novels, and finally into the real world of English words as a snappy synonym for "bureaucrat," with an added pejoration of "slavish."Today the Russian word working its way in is *nomenklatura*. In his new book, "How Democracies Perish," the French political philosopher Jean-François Revel writes: "Communism . . . necessarily looks outward because it preaches over a failed society and is incapable of engendering a viable one. The *nomenklatura*, the body of bureaucrats-dictators who govern the system, has no choice, but to direct its abilities toward expansion abroad."He puts the word in italics and defines it, a signal to the cognoscenti that they might not know this term yet, but a quiz will soon follow. In the same way, when the New York Times columnist Flora Lewis used the term in 1981, she followed the word with this parenthetical definition: "(the secret list of people eligible for responsible jobs)." In 1975, The Economist did a similar thing: "the *nomenklatura* or name list of top officials is classified as well."I like Flora Lewis's definition best. *Nomenklatura* is an English word coined in 1610, from the Latin *nomen*, "name," and *calare*, "to call," and means "a system of naming." That's a far cry from this secret Russian list that you have to get on to get anywhere. As Profes-sor John Bailey of Georgetown University puts it: "The list is like a computer printout that gives the names of people in various positions with descriptions of their jobs. Making this *nomenklatura* is necessary for being on track for career advancement."Although the term is not yet tested enough to be in the general dictionaries, its Latin antecedent can be found in Eric Partridge's "Ori- gins," "nomenklatura," a calling of names, then a system of naming, which is from "nomenclator, a slave whose office it is, in a court of law, to call the names of the clients." (Prior to this was the Greek herald Stenor, whose loud voice in the Trojan War gave birth to the adjective *stentorian*.)

What an apt etymology: from the name of a job for a slave to a secret list of jobs held by the elite in a slave society. A new book is out, "Nomenklatura: The Soviet Ruling Class" by Michael Voskovsky, defining the word as a vast system of political patronage.

DONALD RUMSFELD, formerly the United States's Middle East negotiator, was asked on the David Brinkley program about ways to retaliate against terrorist attacks. One of his suggestions was "to 'repudiate' the states that are engaged in state-sponsored terrorism; they can be isolated politically and economically."

Lepor, from the Greek word meaning "tough, scaly," is a description of a victim of what used to be called *leprosy* and has been euphemized to *Hansen's disease*. An adjective, *lepor*, predates the noun *leper* and was used by Shakespeare: the Ghost in Hamlet reported that the king "in the porches of my cast pour the lepros distillment."However, the only use of a similar verb form that I have been able to find was a 1592 usage of *leperize*, meaning "to smile with leprosy"; a figurative extension would mean "to treat as a leper," which in olden times meant "to avoid, isolate, cast away."Count me among those who make *leper* constructions work hard before entering the language. I like "make a leper out of" or "treat as a leper," or, if you are sensitive to the afflicted, "treat as a pariah."

New York Times Service

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Club Members: Privileges in a top peoples London Town club with fine restaurants, bars, and a Stocks Country Club, 1 hour from London Paddington Station. Stock Club members receive discounts on horse riding, tennis, squash, and other court sports. Membership is £1,250 per year. For further information, contact: One West Overseas Visitors Membership, Adams 4 People, Whitefriars, London EC4, Tel: 01-351 3461

PARIS COLLEGE NIGHT

Tues. Oct 16
6.30-9.30 pm. English Activities
Jan 17-20. English Zoo. Tel: 01-40 55 20 00
Fees from 30 francs. Round Table
on admissions from abroad.

REAL ESTATE

FOR SALE

GREAT BRITAIN

DIVORCE IN 24 HOURS

Mutual or contested actions, low cost, Hall or Domestic Bar.

Information: 1815 K St, N.W., Washington, D.C. 20006, Tel: 202-532-6331

ALCOHOLICS/Problem Drinking

Re: new hope and rehabilitation

Information: 1815 K St, N.W., Washington, D.C. 20006, Tel: 202-532-6331

REAL ESTATE

FOR SALE

SWITZERLAND

PARIS & SUBURBS

PARIS, SUPERFLAT OF 220 SQM,

in finest residential area of Paris

with 2 double bedrooms, 2 bathrooms, 2

large terraces, 2 parking places, 2

large garage, 200 sqm. garden, 2

large garage, 200 sqm. garden, 2

REAL ESTATE

TO RENT/SHARE

FRENCH PROVINCES

PARIS AREA FURNISHED

PARIS AREA FURNISHED STUDIO

PARIS AREA FURNISHED STUDIO

PARIS AREA FURNISHED STUDIO

PARIS AREA FURNISHED STUDIO

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